

LEGISLATURE OF NEBRASKA  
ONE HUNDREDTH LEGISLATURE  
FIRST SESSION  
**LEGISLATIVE BILL 115**  
FINAL READING

Introduced by Pahls, 31

Read first time January 8, 2007

Committee: Banking, Commerce and Insurance

A BILL

- 1 FOR AN ACT relating to insurance; to amend section 44-514, Reissue
- 2 Revised Statutes of Nebraska; to redefine automobile
- 3 liability policy; and to repeal the original section.
- 4 Be it enacted by the people of the State of Nebraska,

1           Section 1. Section 44-514, Reissue Revised Statutes of  
2 Nebraska, is amended to read:

3           44-514 For purposes of sections 44-514 to 44-521, unless  
4 the context otherwise requires:

5           (1) Policy shall mean an automobile liability policy  
6 providing all or part of the coverage defined in subdivision (2)  
7 of this section, delivered or issued for delivery in this state,  
8 insuring a natural person as named insured or one or more related  
9 individuals resident of the same household, and under which the  
10 insured vehicles designated in the policy are of the following  
11 types only: (a) A motor vehicle of the private passenger or station  
12 wagon type that is not used as a public or livery conveyance for  
13 passengers nor rented to others; or (b) any other four-wheel motor  
14 vehicle of the pickup, panel, or delivery type which is not used in  
15 the occupation, profession, or business of the insured, except that  
16 sections 44-514 to 44-521 shall not apply (i) to any policy issued  
17 under an automobile assigned risk plan; (ii) to any policy ~~insuring~~  
18 ~~more than four automobiles;~~ subject to section 44-523; (iii) to  
19 any policy covering garage, automobile sales agency, repair shop,  
20 service station, or public parking place operation hazards; or (iv)  
21 to any policy of insurance issued principally to cover personal or  
22 premises liability of an insured even though such insurance may  
23 also provide some incidental coverage for liability arising out  
24 of the ownership, maintenance, or use of a motor vehicle on the  
25 premises of such insured or on the way immediately adjoining such

1 premises;

2 (2) Automobile liability coverage shall include only  
3 coverage of bodily injury and property damage liability, medical  
4 payments, uninsured motorist coverage, and underinsured motorist  
5 coverage;

6 (3) Renewal or to renew shall mean the issuance and  
7 delivery by an insurer of a policy replacing at the end of the  
8 policy period a policy previously issued and delivered by the same  
9 insurer or the issuance and delivery of a certificate or notice  
10 extending the term of a policy beyond its policy period or term,  
11 except that (a) any policy with a policy period or term of less  
12 than six months shall be considered as if written for a policy  
13 period or term of six months and (b) any policy written for a term  
14 longer than one year or any policy with no fixed expiration date  
15 shall be considered as if written for successive policy periods  
16 or terms of one year, and such policy may be terminated at the  
17 expiration of any annual period upon giving twenty days' notice of  
18 cancellation prior to such anniversary date, and such cancellation  
19 shall not be subject to any other provisions of sections 44-514 to  
20 44-521; and

21 (4) Nonpayment of premium shall mean failure of the  
22 named insured to discharge when due any of his or her obligations  
23 in connection with the payment of any premium on a policy or  
24 any installment of such premium, whether the premium is payable  
25 directly to the insurer or its agent or indirectly under any

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1 premium finance plan or extension of credit.

2                   Sec. 2. Original section 44-514, Reissue Revised Statutes

3 of Nebraska, is repealed.